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THEORETICAL FOUNDATIONS OF BUSINESS DIGITALIZATION

Digitalization is a global trend in recent years. Particular attention is paid to the digitalization of business management. The results of research on this issue are presented in the works of I. N. Baranov, A. G. Barabashev, D. G. Krasilnikov, G. L. Kupryashin, A. V. Obolonsky, O. V. Sivintseva, V. L. Tambovtsev, E. A. Troitskaya and others.

To define a new management function, we studied the concepts of "digital transformation" and "digital management".

As the study showed, there is no unambiguous interpretation of the concept of "digital transformation" in domestic and foreign practice today [1].

Digital technologies in the process of digital transformation create new opportunities for interacting with citizens and meeting their needs through the provision of public services [2].

Domestic theorists define digital transformation as “deep reorganization, reengineering of business processes with the widespread use of digital tools as process execution mechanisms, which leads to a significant (many times) improvement in the characteristics of processes (reducing their execution time, the disappearance of entire groups of subprocesses, increasing output, reducing resources spent on the execution of processes, etc.) and / or the emergence of fundamentally new qualities and properties of them (decision making in automatic mode without human participation, etc.)” [3].

The study of the interpretation of the concept of "digital economy" showed that different authors interpret it differently. To date, there are about 10 definitions of the concept of "digital economy". Differences in definitions depend both on the subject - study, analysis, management, and on the scope of this concept - for the economy as a whole, for individual, special sectors (branches) of the economy or enterprises.

The study made it possible to identify three main approaches to the interpretation of this concept:

- a narrow approach that considers the digital economy only from the perspective of the formation of BD and the development of means for their storage, transmission and processing (hard- and software).

- an extended approach considers the digital economy as a sector of development and development of directly information technologies, as well as those industries of production, trade and services in which management and regulation methods based on the use of BD take a predominant place.

- a broad approach considers the digital economy as a sphere of public relations, for which the introduction of digital and electronic methods of management and communications is a priority.

Summarizing the studied approaches, we can say that the digital economy is not about the created new economy - it is already digital. We are talking about the transfer of the economy to a new technological base, which, in turn, opens up new opportunities.

Digital technologies are being introduced into the field of management in order to make a qualitative breakthrough in the management process, which in turn will lead to a steady economic growth of the enterprise.

Domestic and foreign scientists distinguish three main stages of digital transformation:

- 1 - digitization of processes;
- 2 - electronic control;
- 3 - digital control.

Digital technologies are currently a determining factor in determining the direction of changes in enterprise management and a tool for implementing the strategy of its digital transformation.

We propose to consider the digitalization process as a new management function and interpret the definition of "digitalization" as a process of changing management through a qualitative change in the approach to the processes of organization, planning, forecasting, management and control using digital technologies and modern approaches to effective management.

References:

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3. Karcheva, G. T., Ogorodnya, D. V., & Openenko V. A. (2017) The digital economy and the impact on the development of the national and international economy. Financial space.